

# Housing and Community Affairs

## MISSION STATEMENT

The mission of the Department of Housing and Community Affairs is to plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of affordable housing; and maintain existing housing in a safe and sanitary condition.

## BUDGET OVERVIEW

The total recommended FY09 Operating Budget for the Department of Housing and Community Affairs is \$42,412,790, a decrease of \$151,480 or 0.4 percent from the FY08 Approved Budget of \$42,564,270. Personnel Costs comprise 19.0 percent of the budget for 85 full-time positions and five part-time positions for 73.5 workyears. Operating Expenses and Debt Service account for the remaining 81.0 percent of the FY09 budget.

DHCA expects the total signed agreements for affordable housing projects through the PILOT program to abate \$7.8 million in taxes in FY09.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **Affordable Housing in an Inclusive Community**
- ❖ **Healthy and Sustainable Neighborhoods**
- ❖ **A Responsive, Accountable County Government**

## PERFORMANCE MEASURES

This table presents what the department estimates and projects will be the FY08 through FY10 data for its performance measures if there are no changes in funding.

Measure	Actual FY06	Actual FY07	Estimated FY08	Projected FY09	Projected FY10
Average time to require conciliate Landlord/Tenant disputes <sup>1</sup>					
Percentage of Landlord/Tenant cases referred to the Landlord Tenant Commission (see Footnote 1)					
Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services (see Footnote 1)					
Number of code enforcement repeat offenders (see Footnote 1)					
Average time to achieve voluntary compliance in multi-family housing code enforcement cases (see Footnote 1)					
Average time to achieve voluntary compliance in single family housing code enforcement cases (see Footnote 1)					
Cost per affordable housing unit preserved (see Footnote 1)					
Cost per affordable housing unit produced (see Footnote 1)					
Number of affordable housing units preserved (see Footnote 1)					
Number of affordable housing units produced (see Footnote 1)					

<sup>1</sup>This represents a new performance measure for the Department, and appropriate data collection procedures are still being developed.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Provide \$54.8 million in total resources from the Montgomery Housing Initiative (MHI) fund. This dedicated funding source provides for renovation of distressed housing, the preservation of affordable housing units, creation of housing units for special needs residents, services to the "Building Neighborhoods to Call Home" program, and the creation of mixed-income housing.**
- ❖ **Utilized \$35.3 million in FY08 from the Montgomery Housing Initiative (MHI) fund for affordable housing.**

- ❖ *Use resources from the recordation tax premium to support rental assistance programs in the Department of Housing and Community Affairs (DHCA), the Department of Health and Human Services (DHHS), and the Housing Opportunities Commission (HOC). For FY09, \$850,000 of the estimated revenues will be allocated towards HHS' low-income rental assistance programs; \$915,500 will be allocated towards DHCA's project based low-income rental assistance; and \$850,000 of the estimated revenues will be allocated towards HOC's low-income rental assistance program.*
- ❖ *Continued funding from Federal Grants (Community Development Block Grant, HOME, and Emergency Shelter Grant) to provide funding for affordable housing, housing rehabilitation, commercial revitalization, public services and preventing homelessness.*
- ❖ *Provides housing code enforcement to neighborhoods for improving safety and sanitary living conditions.*
- ❖ *Provides landlord-tenant mediation services to an expanding population and provides emergency housing services for eviction prevention and for special relocations such as Charter House.*
- ❖ *Established an Affordable Housing Task Force that will report on its recommendations in the Spring of 2008.*

## PROGRAM CONTACTS

Contact Fred Wilcox of the Department of Housing and Community Affairs at 240.777.3607 or Rose Glavinic of the Office of Management and Budget at 240.777.2769 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### **Multi-Family Housing Programs**

This program creates and preserves affordable multi-family housing units. Loans are made to the Housing Opportunities Commission, nonprofit organizations, property owners, and for-profit developers. This program provides funding to:

- preserve existing affordable housing units;
- construct and acquire affordable housing units;
- rehabilitate existing rental housing stock;
- participate in housing or mixed-use developments that will include affordable housing;
- acquire land to produce affordable housing;
- provide low income rental housing assistance

Major funding for these projects is provided from the Montgomery Housing Initiative Fund, the Federal HOME Grant, the Federal Community Development Block Grant, and State grants. The program emphasizes the leveraging of County funds with other public and private funds in undertaking these activities.

### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>28,500,700</b>	<b>9.5</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	48,890	-0.5
<b>FY09 CE Recommended</b>	<b>28,549,590</b>	<b>9.0</b>

### **Single-Family Housing Programs**

This program creates and preserves affordable single-family housing units. It enforces Chapter 25A of the County Code to ensure that Moderately Priced Dwelling Units (MPDUs) are provided and monitored for resale control. The Code requires that 12.5 percent to 15.0 percent of an approved development of 20 dwelling units or more be MPDUs, depending on the amount of density bonus achieved. The housing units produced are marketed at controlled prices, which makes them affordable to moderate-income households. Additional single-family housing programs provide funding to replace, rehabilitate and weatherize single-family housing units and rehabilitate group homes for the special needs population. In addition, this program is responsible for the newly created Work Force Housing Initiative.

### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>613,140</b>	<b>7.9</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	102,810	1.1
<b>FY09 CE Recommended</b>	<b>715,950</b>	<b>9.0</b>

### **Housing Code Enforcement**

This program enforces Chapter 26 of the County Code, Housing Maintenance, by inspecting rental condominiums, multi-family apartments, and single-family housing to ensure safe and sanitary conditions; and Chapter 48, Solid Wastes, and Chapter 58, Weeds, the County's residential weeds and rubbish codes. Approximately 80 percent of the single-family inspections result from tenant and/or neighbor complaints; other inspections are the result of concentrated code enforcement efforts in specific areas. The multi-family inspections are based on a requirement for triennial inspections and in response to tenant and/or neighbor complaints. This program is supported by the collection of single-family and apartment/condominium licensing fees.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>2,025,510</b>	<b>19.5</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	72,840	0.4
<b>FY09 CE Recommended</b>	<b>2,098,350</b>	<b>19.9</b>

### **Grants Administration - Federal Programs**

Staff provides management and oversight to ensure compliance with all regulatory requirements for Federal funding awarded to Montgomery County by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant, the HOME Investment Partnership Grant and the Emergency Shelter Grant programs.

Funds from these programs support both operating activities and capital projects. Activities funded may include property acquisition, new construction, housing rehabilitation, commercial area revitalization and handicapped accessibility improvements.

Staff administers contracts with the cities of Rockville and Takoma Park, as well as not-for-profit organizations awarded funding to provide a variety of public services involving assistance to low-income persons.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>8,164,870</b>	<b>7.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-121,420	0.0
<b>FY09 CE Recommended</b>	<b>8,043,450</b>	<b>7.0</b>

### **Landlord-Tenant Mediation**

This program ensures fair and equitable relations between landlords and tenants and encourages the maintenance and improvement of housing. Activities including mediating and arbitrating disputes; providing information and technical assistance to all parties; and taking legal action as necessary, and including referring unresolved complaints to the Montgomery County Commission on Landlord-Tenant Affairs.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>1,040,870</b>	<b>8.8</b>

	Expenditures	WYs
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	48,800	0.0
<b>FY09 CE Recommended</b>	<b>1,089,670</b>	<b>8.8</b>

### **Neighborhood Revitalization**

This program provides planning and implementation for neighborhood revitalization in targeted areas. Activities include commercial revitalization (physical and economic) in both local retail centers and central business districts as well as assistance to address other community concerns, including issues related to housing and public services. Primary funding for these activities is provided from the County's Capital Improvements Program and from other Federal and State funds, including Community Development Block Grants and State Community Legacy Grants.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>826,900</b>	<b>8.0</b>
Eliminate: Business Development Specialists - Commercial Revitalization Program	-218,140	-2.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-161,280	-2.0
<b>FY09 CE Recommended</b>	<b>447,480</b>	<b>4.0</b>

### **Licensing and Registration**

This program issues licenses to all rental housing (apartments, condominiums, single-family) and registers all housing units within common ownership communities.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>340,710</b>	<b>3.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	25,520	0.0
<b>FY09 CE Recommended</b>	<b>366,230</b>	<b>3.0</b>

### **Housing Administration**

This program provides management and oversight to support activities within the housing division including single and multi-family housing programs, code enforcement and landlord tenant mediation.

This program was formerly included as part of Housing Development and Loan Programs.

#### **FY09 Recommended Changes**

	Expenditures	WYs
<b>FY08 Approved</b>	<b>107,270</b>	<b>2.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	5,640	0.0
<b>FY09 CE Recommended</b>	<b>112,910</b>	<b>2.0</b>

### **Administration**

This program provides overall direction, administration, and managerial support to the department. Activities include budgeting, financial management, personnel management and administration, program oversight, training, automated systems management, and policy/program development and implementation (legislation, regulations, procedures).

## FY09 Recommended Changes

	Expenditures	WYs
<b>FY08 Approved</b>	<b>944,300</b>	<b>10.8</b>
Eliminate: Program Specialist - Hispanic/Latino Affairs Coordinator - Administration Program	-60,030	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	104,890	1.0
<b>FY09 CE Recommended</b>	<b>989,160</b>	<b>10.8</b>

## BUDGET SUMMARY

	Actual FY07	Budget FY08	Estimated FY08	Recommended FY09	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	3,364,320	3,705,430	3,552,420	3,565,320	-3.8%
Employee Benefits	1,163,683	1,343,990	1,284,480	1,352,440	0.6%
<b>County General Fund Personnel Costs</b>	<b>4,528,003</b>	<b>5,049,420</b>	<b>4,836,900</b>	<b>4,917,760</b>	<b>-2.6%</b>
Operating Expenses	610,063	658,220	931,470	716,610	8.9%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>5,138,066</b>	<b>5,707,640</b>	<b>5,768,370</b>	<b>5,634,370</b>	<b>-1.3%</b>
<b>PERSONNEL</b>					
Full-Time	86	89	89	85	-4.5%
Part-Time	4	4	4	5	25.0%
Workyears	49.5	50.4	50.4	46.1	-8.5%
<b>REVENUES</b>					
Miscellaneous - LTA Registry	4,569	0	5,000	5,000	—
Common Ownership Commission Fees	0	0	3,000	3,000	—
Miscellaneous - Common Ownership Communities	0	6,000	3,000	3,000	-50.0%
Common Ownership Communities Fees	262,431	268,250	280,000	283,500	5.7%
Developer Fee For Alternative Review Committee	0	53,200	0	0	—
Landlord Apartment Rental License	2,354,984	2,353,650	2,330,000	2,330,000	-1.0%
Miscellaneous - Landlord-Tenant	245	20,000	15,000	15,000	-25.0%
Civil Citations - Landlord-Tenant	78,425	75,000	75,000	75,000	—
Landlord Single Family Rental License	1,254,091	1,176,000	1,250,000	1,262,000	7.3%
Landlord Condominium Rental License	304,242	302,400	330,000	334,000	10.4%
<b>County General Fund Revenues</b>	<b>4,258,987</b>	<b>4,254,500</b>	<b>4,291,000</b>	<b>4,310,500</b>	<b>1.3%</b>
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,377,175	1,311,270	1,614,700	1,399,730	6.7%
Employee Benefits	518,603	507,720	510,330	515,580	1.5%
<b>Grant Fund MCG Personnel Costs</b>	<b>1,895,778</b>	<b>1,818,990</b>	<b>2,125,030</b>	<b>1,915,310</b>	<b>5.3%</b>
Operating Expenses	7,283,365	6,371,140	6,525,710	6,153,800	-3.4%
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>9,179,143</b>	<b>8,190,130</b>	<b>8,650,740</b>	<b>8,069,110</b>	<b>-1.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	16.9	16.2	16.2	15.9	-1.9%
<b>REVENUES</b>					
Community Development Block Grant	6,780,435	3,835,670	3,818,600	3,817,130	-0.5%
Community Development Block Grant: Program Income	0	1,100,000	1,100,000	1,100,000	—
EDI Special Projects	316,952	0	0	0	—
Emergency Shelter: Group Homes	361,243	226,600	227,830	226,880	0.1%
HOME Grant: Program Income	0	500,000	500,000	500,000	—
HOME Investment Partnership Grant	1,179,185	2,363,180	2,358,620	2,260,420	-4.3%
Takoma Park Code Enforcement	129,293	0	387,120	0	—
Weatherization	322,208	164,680	123,850	164,680	—
Community Legacy	-10,000	0	0	0	—
Weatherization - EUSP	0	0	62,900	0	—
Weatherization - MEAP	0	0	46,820	0	—
Weatherization Universal Svc	77,900	0	0	0	—

	Actual FY07	Budget FY08	Estimated FY08	Recommended FY09	% Chg Bud/Rec
Weatherization - Washington Gas	21,927	0	25,000	0	—
<b>Grant Fund MCG Revenues</b>	<b>9,179,143</b>	<b>8,190,130</b>	<b>8,650,740</b>	<b>8,069,110</b>	<b>-1.5%</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	497,886	732,980	737,340	927,610	26.6%
Employee Benefits	167,640	226,450	226,450	311,760	37.7%
<b>Montgomery Housing Initiative Personnel Costs</b>	<b>665,526</b>	<b>959,430</b>	<b>963,790</b>	<b>1,239,370</b>	<b>29.2%</b>
Operating Expenses	23,058,771	27,592,810	32,860,390	27,393,070	-0.7%
Debt Service Other	79,412	78,260	78,260	76,870	-1.8%
Capital Outlay	0	36,000	36,000	0	—
<b>Montgomery Housing Initiative Expenditures</b>	<b>23,803,709</b>	<b>28,666,500</b>	<b>33,938,440</b>	<b>28,709,310</b>	<b>0.1%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	7.7	9.9	9.9	11.5	16.2%
<b>REVENUES</b>					
Extraordinary Revenue Financing	0	0	0	25,000,000	—
Recordation Tax Revenue for Rental Assistance Prog	0	0	0	2,615,500	—
Developer Approval Payments	51,720	0	50,000	50,000	—
MPDU Forclosures	149,576	0	285,260	0	—
MPDU Resale Recapture	3,579,703	2,000,000	3,000,000	3,000,000	50.0%
MPDU Buyouts	0	800,000	451,150	0	—
Mortgage Repayments	778,812	0	2,000,000	5,500,000	—
Miscellaneous	1,138,756	0	5,000	0	—
Other Interest Income	428,087	0	0	0	—
Other Sales	0	0	4,875,440	0	—
Sale of Property	740,204	0	0	0	—
Condo Transfer Tax	8,311,658	4,400,000	4,400,000	3,000,000	-31.8%
Investment Income: Pooled	399,735	640,000	330,000	210,000	-67.2%
HOC Loan Repayment	79,412	78,260	78,260	76,870	-1.8%
Prior Year Adjustment	0	0	109,160	0	—
<b>Montgomery Housing Initiative Revenues</b>	<b>15,657,663</b>	<b>7,918,260</b>	<b>15,584,270</b>	<b>39,452,370</b>	<b>398.2%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>38,120,918</b>	<b>42,564,270</b>	<b>48,357,550</b>	<b>42,412,790</b>	<b>-0.4%</b>
<b>Total Full-Time Positions</b>	<b>86</b>	<b>89</b>	<b>89</b>	<b>85</b>	<b>-4.5%</b>
<b>Total Part-Time Positions</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>25.0%</b>
<b>Total Workyears</b>	<b>74.1</b>	<b>76.5</b>	<b>76.5</b>	<b>73.5</b>	<b>-3.9%</b>
<b>Total Revenues</b>	<b>29,095,793</b>	<b>20,362,890</b>	<b>28,526,010</b>	<b>51,831,980</b>	<b>154.5%</b>

## FY09 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY08 ORIGINAL APPROPRIATION</b>	<b>5,707,640</b>	<b>50.4</b>
<b><u>Changes (with service impacts)</u></b>		
Add: Personnel Adjustment	56,570	0.3
Eliminate: Program Specialist - Hispanic/Latino Affairs Coordinator - Administration Program [Administration]	-60,030	-1.0
Eliminate: Business Development Specialists - Commercial Revitalization Program [Neighborhood Revitalization]	-218,140	-2.0
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: General Wage and Service Increment Adjustments	229,160	0.0
Increase Cost: Group Insurance Adjustment	54,340	0.0
Replace: HOME Staff Costs	38,000	0.3
Increase Cost: Motor Pool Rate Adjustment	37,960	0.0
Increase Cost: Retirement Adjustment	16,600	0.0
Increase Cost: Annualization of FY08 Operating Expenses	13,590	0.0
Increase Cost: Convert Part-Time Position to Full-Time	13,270	0.1
Increase Cost: Printing and Mail Adjustments	11,090	0.0
Increase Cost: Central Duplicating Recovery Charge	1,270	0.0

	Expenditures	WYs
Decrease Cost: Annualization of FY08 Personnel Costs	-31,350	0.0
Shift: Wheaton Redevelopment Positions	-235,600	-2.0
<b>FY09 RECOMMENDED:</b>	<b>5,634,370</b>	<b>46.1</b>
<b>GRANT FUND MCG</b>		
<b>FY08 ORIGINAL APPROPRIATION</b>	<b>8,190,130</b>	<b>16.2</b>
<b><u>Changes (with service impacts)</u></b>		
Add: Community Development Block Grant: GapBuster Learning Center, Inc. (Cross-Tutorial Mentoring)	45,000	0.0
Add: Community Development Block Grant: Jewish Social Service Agency (Project Linkage)	45,000	0.0
Add: Community Development Block Grant: Liberty's Promise (Enriching Montgomery County's Youth)	45,000	0.0
Add: Community Development Block Grant: YMCA of Metropolitan Washington (Northwest Park Community Center)	45,000	0.0
Add: Community Development Block Grant: Easter Seals Greater Washington-Baltimore Region, Inc. (Family Respite Program)	40,000	0.0
Add: Community Development Block Grant: Ministries United Silver Spring Takoma Park, Inc. (Filling the medical prescription gap)	40,000	0.0
Add: Community Development Block Grant: Saint Luke's House, Inc. (Case Management Services)	40,000	0.0
Add: Community Development Block Grant: CASA of Maryland, Inc. (Employment Rights Project)	37,500	0.0
Add: Emergency Shelter Grant: Community Ministry of Montgomery County, Inc. (Supported Employment Program)	37,500	0.0
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless (Daytime Case Management)	30,000	0.0
Add: Community Development Block Grant: Jewish Council for the Aging of Greater Washington (Project Log On)	29,500	0.0
Add: Community Development Block Grant: Catholic Charities of the Archdiocese of Washington, Inc. (Housing Support)	25,500	0.0
Add: Community Development Block Grant: Threshold Services, Inc. (Compeer of Montgomery County)	23,000	0.0
Add: Community Development Block Grant: Asian American LEAD (AALEAD Mentoring Program)	22,500	0.0
Add: Community Development Block Grant: Asian Pacific American Legal Resource Center (Asian American Domestic Violence Project)	22,500	0.0
Add: Community Development Block Grant: Korean Community Service Center of Greater Washington (Asian Minority Outreach and Services)	22,500	0.0
Add: Community Development Block Grant: Latino Economic Development Corporation (Small Business Development)	22,500	0.0
Add: Community Development Block Grant: Housing Opportunities Community Partners, Inc. (Students Upward Bound)	20,000	0.0
Add: Emergency Shelter Grant: Montgomery County Coalition for the Homeless (Partnership for Permanent Housing)	18,560	0.0
Add: Community Development Block Grant: A Wider Circle (Neighbor to Neighbor)	15,000	0.0
Add: Community Development Block Grant: Crossway Community, Inc. (Environmental Learning Initiative)	15,000	0.0
Add: Emergency Shelter Grant: Stepping Stones Shelter (Parent Education Program)	12,000	0.0
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless (Partnership for Permanent Housing)	6,440	0.0
Reduce: HOME Investment Partnership Grant Award	-98,200	0.0
Reduce: Changes in CDBG Grant Award	-197,460	0.0
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: CIP Appropriation Decrease	196,000	0.0
Increase Cost: Compensation Adjustments	97,260	0.0
Increase Cost: Annualization of FY08 Personnel Costs	37,060	0.0
Decrease Cost: Emergency Shelter: Group Homes (ESG) Grant Award	-950	0.0
Decrease Cost: Annualization of FY08 Operating Expenses	-19,470	0.0
Shift: HOME Staff Costs	-38,000	-0.3
Decrease Cost: Adjust operating expenses to offset personnel costs compensation increase	-97,260	0.0
Decrease Cost: Adjust to display individual Federal programs	-660,000	0.0
<b>FY09 RECOMMENDED:</b>	<b>8,069,110</b>	<b>15.9</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>		
<b>FY08 ORIGINAL APPROPRIATION</b>	<b>28,666,500</b>	<b>9.9</b>
<b><u>Changes (with service impacts)</u></b>		
Add: Personnel Adjustment	132,010	0.7
<b><u>Other Adjustments (with no service impacts)</u></b>		

	Expenditures	WYs
Increase Cost: Annualization of FY08 Lapsed Positions	79,020	0.9
Increase Cost: General Wage and Service Increment Adjustments	45,500	0.0
Increase Cost: Annualization of FY08 Operating Expenses	32,390	0.0
Increase Cost: Group Insurance Adjustment	11,040	0.0
Increase Cost: Retirement Adjustment	6,310	0.0
Increase Cost: Annualization of FY08 Personnel Costs	3,610	0.0
Increase Cost: Annualization of FY08 Service Increment	2,450	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY08	-48,000	0.0
Decrease Cost: Miscellaneous operating expense adjustment	-221,520	0.0
<b>FY09 RECOMMENDED:</b>	<b>28,709,310</b>	<b>11.5</b>

## PROGRAM SUMMARY

	FY08 Approved		FY09 Recommended	
	Expenditures	WYs	Expenditures	WYs
Multi-Family Housing Programs	28,500,700	9.5	28,549,590	9.0
Single-Family Housing Programs	613,140	7.9	715,950	9.0
Housing Code Enforcement	2,025,510	19.5	2,098,350	19.9
Grants Administration - Federal Programs	8,164,870	7.0	8,043,450	7.0
Landlord-Tenant Mediation	1,040,870	8.8	1,089,670	8.8
Neighborhood Revitalization	826,900	8.0	447,480	4.0
Licensing and Registration	340,710	3.0	366,230	3.0
Housing Administration	107,270	2.0	112,910	2.0
Administration	944,300	10.8	989,160	10.8
Totals	42,564,270	76.5	42,412,790	73.5

## CHARGES TO OTHER DEPARTMENTS

Recipient Department		FY08		FY09	
Recipient Fund		Total\$	WYs	Total\$	WYs
<b>GENERAL FUND</b>					
CIP	CIP	936,740	8.0	1,050,670	8.0
DEP-Solid Waste Services	Solid Waste Disposal	617,970	5.5	675,290	5.6
Permitting Services	Permitting Services	82,990	1.0	110,170	1.0

## FUTURE FISCAL IMPACTS

Title	CE REC. FY09	FY10	FY11	(\$000's)		
	FY12	FY13	FY14			
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY09 Recommended</b>	<b>5,634</b>	<b>5,634</b>	<b>5,634</b>	<b>5,634</b>	<b>5,634</b>	<b>5,634</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>241</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>253</b>
These figures represent the estimated cost of general wage adjustments, service increments, and associated benefits.						
<b>Central Duplicating Deficit Recovery Charge</b>	<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>
This per employee charge will be eliminated in FY10.						
<b>Subtotal Expenditures</b>	<b>5,634</b>	<b>5,874</b>	<b>5,886</b>	<b>5,886</b>	<b>5,886</b>	<b>5,886</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>						
<b>Expenditures</b>						
<b>FY09 Recommended</b>	<b>28,709</b>	<b>28,709</b>	<b>28,709</b>	<b>28,709</b>	<b>28,709</b>	<b>28,709</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>48</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
These figures represent the estimated cost of general wage adjustments, service increments, and associated benefits.						
<b>Subtotal Expenditures</b>	<b>28,709</b>	<b>28,757</b>	<b>28,759</b>	<b>28,759</b>	<b>28,759</b>	<b>28,759</b>



FY09-14 PUBLIC SERVICES PROGRAM: FISCAL PLAN			Montgomery Housing Initiative				
FISCAL PROJECTIONS	FY08 ESTIMATE	FY09 REC	FY10 PROJECTION	FY11 PROJECTION	FY12 PROJECTION	FY13 PROJECTION	FY14 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.56%	12.88%	12.88%	12.88%	12.88%	12.88%	12.88%
CPI (Fiscal Year)	3.6%	2.8%	2.4%	2.5%	2.5%	2.5%	2.5%
Investment Income Yield	0.04	0.025	0.035	0.04	0.045	0.0475	0.05
<b>BEGINNING FUND BALANCE</b>	<b>6,581,870</b>	<b>7,583,260</b>	<b>1,080,710</b>	<b>1,794,350</b>	<b>3,122,300</b>	<b>5,235,620</b>	<b>8,029,050</b>
<b>REVENUES</b>							
Miscellaneous	15,584,270	39,452,370	35,932,300	36,624,080	37,382,730	38,149,770	38,992,270
Extraordinary Revenue Financing		25,000,000	25,000,000				
Extraordinary Revenue Revolving				25,000,000	25,000,000	25,000,000	25,000,000
<b>Subtotal Revenues</b>	<b>15,584,270</b>	<b>39,452,370</b>	<b>35,932,300</b>	<b>36,624,080</b>	<b>37,382,730</b>	<b>38,149,770</b>	<b>38,992,270</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfer to Debt Service Fund		(1,850,000)	(4,320,000)	(4,940,000)	(4,940,000)	(4,940,000)	(4,940,000)
Transfers To The General Fund	(108,300)	(178,100)	(179,420)	(175,110)	(169,740)	(159,630)	(159,630)
Indirect Costs	(108,300)	(159,630)	(159,630)	(159,630)	(159,630)	(159,630)	(159,630)
Transfers From The General Fund	20,868,360	9,782,490	23,420,000	24,590,000	25,310,000	25,940,000	26,670,000
<b>TOTAL RESOURCES</b>	<b>42,926,200</b>	<b>54,790,020</b>	<b>55,933,590</b>	<b>57,893,320</b>	<b>60,705,290</b>	<b>64,225,760</b>	<b>68,591,690</b>
<b>CIP CURRENT REVENUE APPROP.</b>							
CIP Property Acquisition Revolving Fund	(405,000)	0	0	0	0	0	0
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>		(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)
Operating Budget	(33,860,180)	(26,016,940)	(26,016,940)	(26,016,940)	(26,016,940)	(26,016,940)	(26,016,940)
Debt Service: Other (Non-Tax Funds only)	(78,260)	(76,870)	(75,300)	(73,580)	(71,730)	(69,770)	(69,770)
Rental Assistance Programs	n/a	(2,615,500)	(3,047,000)	(3,680,500)	(4,381,000)	(5,110,000)	(5,912,500)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(33,938,440)</b>	<b>(28,709,310)</b>	<b>(29,139,240)</b>	<b>(29,771,020)</b>	<b>(30,469,670)</b>	<b>(31,196,710)</b>	<b>(31,999,210)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(999,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Designated for next year CIP	(999,500)	0					
<b>TOTAL USE OF RESOURCES</b>	<b>(35,342,940)</b>	<b>(53,709,310)</b>	<b>(54,139,240)</b>	<b>(54,771,020)</b>	<b>(55,469,670)</b>	<b>(56,196,710)</b>	<b>(56,999,210)</b>
<b>YEAR END FUND BALANCE</b>	<b>7,583,260</b>	<b>1,080,710</b>	<b>1,794,350</b>	<b>3,122,300</b>	<b>5,235,620</b>	<b>8,029,050</b>	<b>11,592,480</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>							
	17.7%	2.0%	3.2%	5.4%	8.6%	12.5%	16.9%

**Assumptions:**

1. Maintains the County Executive's commitment to affordable housing. Per Montgomery County Executive Order 136-01, includes an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) to ensure the availability of \$15 million or the equivalent of 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year, whichever is greater.
2. Per Council Bill 25A-4, paragraph (c), enacted November 30, 2004, effective April 1, 2005, the FY08 Montgomery Housing Initiative Fund (HIF) will not include an additional allocation from MPDU alternative payments.

**Notes:**

1. These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.

FY09 Landlord Tenant Affairs/Common Ownership Community Restricted Fund		
	LTA	COC
<b>BEGINNING FUND BALANCE</b>	<b>1,907,700</b>	<b>133,090</b>
<b>Revenues</b>	<b>4,017,100</b>	<b>289,500</b>
<b>Expenditures</b>	<b>4,303,350</b>	<b>320,970</b>
<b>YEAR END FUND BALANCE</b>	<b>1,621,450</b>	<b>101,620</b>